uring an emergency or disaster situation, local authorities broadcast information over local media outlets. After the emergency, local authorities use local newspapers and television and radio stations to provide vital information about public health and safety, and recovery efforts.

As efforts focus on recovery and rebuilding, local businesses and legitimate charities work hard to keep up with community needs. Unfortunately, some dishonest people take advantage of the situation to make a quick profit at your expense.

The road to recovering from a natural disaster is hard enough without falling victim to a conman. This information will help protect you from disaster related scams and cons.

You should also monitor local media for news of any special local provisions.

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For more information, contact:

Consumer Protection Division

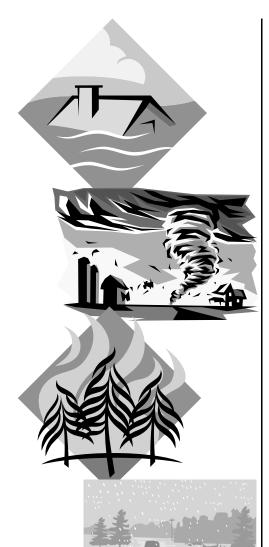
Office of Attorney General 4205 State Street Bismarck, ND 58501

Local: 701-328-3404 Toll Free: 800-472-2600

FAX: 701-328-2226

TTY: 800-366-6888

E-mail: cpat@nd.gov **Website: www.ag.nd.gov**



Wayne Stenehjem Attorney General

Common Scams

- **Form Completion services.** Beware of people charging a fee to help you complete disaster assistance forms (such as FEMA or SBA), or obtaining assistance checks. These services are provided **free** through FEMA and the Red Cross.
- **Employment Listings.** Be warned classified ads asking you to call a 900 number for job referrals may lead to nothing more than an expensive phone bill for you to listen to a recording of the same jobs listed free at Job Service or in the local paper.
- Advance Fee Loans. Be very cautious about dealing with any company that "guarantees" you will receive a loan. Dishonest operators will charge a processing fee, then promise they will find a lender. It is illegal to charge an up-front fee. Also, companies must be registered with the ND Department of Financial Institutions (701) 328-9933) in order to lend money to ND consumers.
- **Phony Inspectors.** If you have not called for one, be very careful if someone comes to your door offering to inspect your property. Before letting them in, make sure they have the appropriate credentials and ask for a telephone number so you can confirm the inspector is working for an authorized agency.

Transient Merchants

If someone from out of the area comes to your door offering to do home repairs, ask to see the "Transient Merchant's License." All transient merchants must be licensed and bonded by the Attorney General's office. You may be able to file a claim against the bond if you have a problem with the product or service. Contact local law enforcement immediately if the contractor cannot produce the license.

Right to Cancel

North Dakota law gives you three days to cancel a business transaction if the purchase amount exceeds \$25 and the sale was made away from a permanent place of business. This right applies to merchandise and services sold door-to-door, over the telephone, at a trade show, and at a home party. It does not apply to car dealerships. If you are over 65, you have 15 days to cancel a purchase more than \$50. The seller **must** give you written and verbal notice of your right to cancel.

Price Gouging

Be sure to do some price comparison shopping when buying items to repair and clean up your property. Get repair estimates in writing, and get more than one. Do not pay for service up-front. Ask for - and check - references. If you suspect price gouging (deliberate overpricing of a product to profit from a disaster) contact local law enforcement.

Rebuilding

Be wary of door-to-door contractors offering to make repairs to your home or business. Choose a reputable, local contractor to prevent the loss of time and money. It is a sure sign of fraud if the contractor:

- Is unable to provide proof of licensing, bonding;
- Insists on full payment or a large down payment before work begins.
- Offers a great price because there are left-over materials from a previous job;
- Tries to pressure you into signing a contract.

Contractors must be licensed by the Secretary of State. Make sure the contractor has both liability insurance and workers compensation coverage.

Once you have chosen a contractor, get a written contract. Make sure you know when the work will begin, how much it will cost, the names of any subcontractors, whether the contractor has obtained the required licenses and building permits, and any guarantees on the work.

Before paying any bill, get a written statement from the contractor that all materials and subcontractors have been paid. Keep that statement with your receipt. Do not sign over your insurance check until you are satisfied all the work has been properly completed.